



Power(line) play: Intellon absorbs Cogency

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Signaling that the powerline networking sector is beginning to mature, chipmaker **Intellon Corp.** has acquired the engineering team and intellectual property of onetime rival **Cogency Semiconductor**. Financial terms were not disclosed.

Under the deal, 18 employees of Canada-based Cogency, mostly engineers, will join Intellon, but remain in the Toronto area. Cogency had about 23 employees before the acquisition.

Intellon also expects this year to make additional hires for its Toronto facility as well as for its existing offices in Ocala, Fla. and San Jose, Calif. Cogency President and CEO Ron Glibbery will become president of Intellon. The company will also retain Cogency Vice President of Engineering Keith Riley under the same title.

The deal combines two of the foremost makers of powerline networking silicon.

Intellon created the baseline technology for HomePlug 1.0, a powerline standard with a theoretical throughput limit of 14 Mbps. Cogency, an Intellon licensee, also has created its own line of HomePlug 1.0 chips.

The acquisition had little to do with expanding Intellon's **HomePlug** market share, which will only jump to 95 percent from about 90 percent, estimated Intellon Chairman and CEO Charlie Harris.

"We were impressed with (Cogency's) engineering and executive team. Cogency had some good customers, but its value was beyond market share," he said, noting Cogency's tip-top chip implementation and software skills. "One of our goals was to combine most of the world's expertise in (powerline) home networking expertise in one company."

The merger will also fortify Intellon against competing powerline networking chipmakers such as **Conexant Systems** and **Maxim Semiconductor**.

Harris expects others to join the market as the powerline sector moves toward a multi-service standard called HomePlug AV. That platform is expected to provide up to 200 Mbps of raw throughput (150 Mbps+ with overhead taken out) - enough to pipe two high-definition television streams, some standard-definition content, general Internet usage and VoIP applications simultaneously.

"It's a pretty aggressive technology in terms of what it can do," Harris said. HomePlug AV, he added, should be standardized later this year. Intellon expects to have samples ready by the end of 2004, and follow with some early implementations by Q1 2005.

In addition to backing **coax-based networking initiatives like MoCA**, cable operators have also expressed interest in the "no new wires" benefits of power line technology. **Comcast Cable**, for example, announced in January it had joined the HomePlug Powerline Alliance.